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January 15, 2002

Ms. Gloria Blue
Executive Secretary
Trade Policy Staff Committee
Office of the USTR
600 17th Street, NW
Washington, DC 20508

VIA ELECTRONIC MAIL

fr0001@ustr.gov

PUBLIC VERSION

Re: Written Comments Filed on Behalf of Dana Corporation Concerning What Action the President Should Take Under Section 203(a) of the Trade Act Regarding Imports of Certain Steel (TA-201-73)

Dear Ms. Blue:

This submission is filed on behalf of the Dana Corporation pursuant to the Federal Register notice entitled Trade Policy Staff Committee: Public Comments on the Potential Action Under Section 203 of the Trade Act of 1974 With Regard to Imports of Certain Steel, 66 Fed. Reg. 54321 (October 26, 2001), as amended by 66 Fed. Reg. 59599 (November 29, 2001), and 66 Fed. Reg. 67349 (December 28, 2001). Dana notes that this filing consolidates its comments concerning multiple products and multiple Dana divisions. Therefore, whereas Dana filed on January 4, 2002 seven separate submissions with the TPSC concerning the action the President should take under § 203(a), this single response submission addresses all of the same products as the seven previously discussed.

Pursuant to 15 C.F.R. 2003.6, Dana requests that certain information contained in this submission be treated as business confidential and not disclosed to the public. The specified information constitutes trade secrets, and commercial and financial information the disclosure of which is not authorized by Dana. In addition, in some instances, the information is confidential in the original document cited by Dana and the confidentiality claim herein is derived entirely from the claim of the original submitting party. In those cases Dana is unable to include the information in

the confidential version of this submission, since Dana does not have access to the original confidential material.

I. BACKGROUND

As a general matter, Dana is in favor of free and open trade. In part this reflects the reality that Dana competes in a global marketplace, against companies in North America, Europe, and Asia. Therefore, where Dana is forced to raise its prices without adding innovation or additional value to its customers, it is vulnerable to increased competition worldwide. Such vulnerability could have negative effects both for Dana and for the United States steel industry in general, as discussed further below.

The proposed action against imported steel under discussion here comes at a particularly inopportune time for Dana. Dana employees between 40,000 and 50,000 people in the United States at over 250 plants. However, due to prevailing economic conditions Dana has been undergoing the most aggressive restructuring effort in its history to try to ensure that it remains a viable company. Therefore, insofar as punitive tariffs would be applied to steel inputs Dana must import, the protection of the steel industry would serve to burden Dana with higher costs at a time when Dana is working very hard to ensure its own competitiveness. In addition, while Dana's costs for its raw material inputs would rise if action under § 203(a) is taken against material Dana imports, the material costs for Dana's European and Asian competitors would remain unchanged, making those competitors relatively more competitive than Dana. This is a direct competitive burden on Dana.

Imposing a § 203 remedy on the material for which Dana has requested exclusion would also likely have the paradoxical effect of lowering, rather than raising, Dana's total purchases of United States steel. This is true because steel is the major raw material used by Dana in its manufacturing. Dana estimates that [] of the steel it uses is from United States producers. As such, Dana is a major consumer of United States steel, estimating its consumption at approximately [] of the United States steel market. Therefore, when Dana is less able to compete in the marketplace Dana's purchases of steel in the United States are reduced. This likelihood is illustrated in the attached documents relating to Products 2, 4, 5, and 6, in which Dana discusses the likely impact on its United States purchases of lessening the competitiveness of its facilities.

Finally, as discussed above, Dana is in the middle of the largest restructuring in its history. Such a restructuring is necessary in order for Dana to remain viable and competitive. However, if, in the midst of Dana's own restructuring, action were taken under § 203(a) to raise the price of Dana's imported steel, the net effect would be to transfer the cost of restructuring the steel industry to Dana and companies like Dana. This is inequitable. Dana, its employees, and those that rely on Dana for their livelihood already bear the burden of the current economic climate. They should not also be asked to directly bear the burden of the steel industry's restructuring. Therefore, any relief for the steel industry should be designed so that the cost is spread among as broad a base as possible, rather than being born by the steel consuming industries.

II. PRODUCTS AT ISSUE

Throughout the course of this matter, Dana has argued that for the majority of the products it seeks to have either excluded from the scope of this matter, or have no remedy applied to there is no United States production of the imported good. As such, there is no possible benefit to the United States industry of including this merchandise in the remedy, since no United States steel producer would benefit from this protection. To the contrary, the United States domestic automotive component manufacturing industry would be severely injured by punitive actions against these imports. The table below sets forth the products for which Dana is requesting that no remedy be applied, as well as the apparent position of the domestic industry as reflected in its filings with the TPSC in this matter.

Dana Product¹	Product Description	Domestic Response	Canada/ Mexico
Product 1	SAE 1050M, SAE 1038, SAE 1541 hot-rolled special bar quality steel produced by a basic oxygen furnace method from Canada	1) In its January 4, 2002 submission, Ispat Inland ² specifically requests that hot-rolled bar from Canada be excluded. 2) Dana is not aware of any other domestic comment on this merchandise.	Yes. Dana requests exclusion for product from Canada.

¹ The Dana product number is the number assigned to each product in the materials presented during Dana's meeting with the TPSC on January 9, 2002 attached herewith as Exhibit 1. The Dana product number does not match the numbers used in the title of any previous Dana submissions to the TPSC.

² Submission of Ispat Inland, Inc., filed January 4, 2002, available at http://www.ustr.gov/sectors/industry/steel201/President_Comments/Ispat%20Inland,%20written%20comments.pdf.

Product 2	Hot rolled coils with a width of 76.500 inches or wider, plus or minus tolerances of +0.250/-0.00, regardless of grade	1) In their December 5, 2001 submission, the domestic industry replied to Dana's request to exclude this merchandise, indicating that, "[] ³ can produce this product." ⁴ 2) In their January 4, 2002 submission, ⁵ Ispat Inland requests that "all non-NAFTA flat product imports" be included in the scope of relief.	Not to Dana's knowledge
Product 3	Flat rolled carbon steel with aluminum cladding, of and including 4.90mm in overall thickness, a minimum of and including 76.00mm to a maximum of and including 250.00mm in overall width, with a low carbon steel back comprised of: carbon under 0.10%, manganese under 0.40%, phosphorous under 0.04%, sulfur under 0.05%, and silicon under 0.05%; clad with aluminum alloy comprised of: under 2.51% copper, under 15.10% tin	1) The steel industry in the United States has indicated that it is not averse to this merchandise being excluded from the § 201 case. ⁶ 2) In their January 4, 2002 submission, ⁷ Ispat Inland requests that "all non-NAFTA flat product imports" be included in the scope of relief.	No

³ As discussed above, Dana does not have access to this confidential material, and therefore cannot supply the name of the producer in the brackets.

⁴ Submission of Bethlehem Steel Corporation, LTV Steel Company, National Steel Corporation, and United States Steel ("Domestic Producers"), filed December 5, 2001, numbered ER-068, at Appendix A, Hot-Rolled Exclusion Requests p. 23 and available at: <http://www.ustr.gov/sectors/industry/steel201/Responses/ER-068-Bethlehem.pdf>.

⁵ See FN 2 supra.

⁶ See FN 4 supra.

⁷ See FN 2 supra.

Product 4	ASTM A-623-00, including electrolytic tin plate with a width greater than 38.875 inches (plus or minus 0.005 inches)	Dana does not believe that any domestic party has objected to an exclusion of this merchandise.	Dana is not aware of any source in Canada or Mexico
Product 5	Tin mill products, meeting ASTM A623-00 including tin mill black plate with a width greater than 42.00 inches (plus or minus 0.005 inches)	Dana does not believe that any domestic party has objected to an exclusion of this merchandise.	Dana is not aware of any source in Canada or Mexico
Product 6	ASTM A623-00, including electrolytic tin plate and tin mill black plate with a width greater than 37.5 inches (plus or minus 0.005 inches)	Dana does not believe that any domestic party has objected to an exclusion of this merchandise.	Dana is not aware of any source in Canada or Mexico
Product 7	STG3 LG per DIN 1624/1544, also known as cold-rolled carbon steel strip with aluminum cladding on each side where the width of the cladding on each side is less than 10% of the total thickness of the material	1) The steel industry in the United States has indicated that it is not averse to this merchandise being excluded from the § 201 case. ⁸ 2) In their January 4, 2002 submission, ⁹ Ispat Inland requests that "all non-NAFTA flat product imports" be included in the scope of relief.	Not to Dana's knowledge
Product 8	ASTM A 463 DDS-Aluminized steel, also referred to as aluminum coated cold-rolled carbon steel sheet, in 0.012 inch gauge, with a plus or minus of 10%.	1) The steel industry in the United States has indicated that it is not averse to this merchandise being excluded from the § 201 case. ¹⁰ 2) In their January 4, 2002 submission, ¹¹ Ispat Inland requests that "all non-NAFTA flat product imports" be included in the scope of relief.	Not to Dana's knowledge

⁸ See FN 4 supra.

⁹ See FN 2 supra.

¹⁰ See FN 4 supra.

¹¹ See FN 2 supra.

Dana notes that Ispat Inland, Inc., in their January 4, 2002 submission has requested that the President impose a four year, 35% tariff rate increase on all non-NAFTA flat product imports. Ispat Inland states as part of its rationale for this request that, "U.S. producers will be able to recapture market share lost due to import surges," and that, "foreign flat . . . products and domestic flat . . . products are highly interchangeable."¹² However, because, to the best of Dana's knowledge and experience, Ispat Inland does not make any of the products for which Dana requests an exclusion, it is clearly erroneous for Ispat Inland to argue that it will be able to regain market share if Dana's products are included in this relief. Furthermore, as Dana has argued throughout these proceedings, the products for which it seeks exclusion are not interchangeable with United States produced products. Instead, these are highly engineered products used in exacting applications. Therefore, as it relates to the merchandise for which Dana seeks exclusion, Ispat Inland's statement regarding interchangeability is also erroneous.

In addition, Dana believes that Ispat Inland's filing of December 5, 2001¹³ in this matter is instructive in addressing the flat products which Ispat Inland seeks to have included in this case. Dana notes that although the flat product requests Dana has reiterated here (Products 2, 3, 7, and 8) were available for Ispat Inland's December 5, 2001 comment. Ispat Inland did not object to them at the time of that submission. Therefore, Dana believes that the TPSC should treat Ispat Inland's request for "all non-NAFTA flat products" as covering only that flat product Ispat Inland objected to in its December 5, 2001 submission. This is especially reasonable in light of the fact that Ispat Inland cannot and does not make the flat products for which Dana seeks exclusion.

In addition, Dana reiterates its belief that hot rolled coils with a width of 76.500 inches or wider, plus or minus tolerances of +0.250/-0.00, regardless of grade should be excluded from imposition of a remedy in this case. As discussed in Dana's January 4, 2002 filing,¹⁴ Dana understands [] to be the sole manufacturer among the submitting parties capable of producing hot rolled coils with a width of 76.500 inches. However, as Dana's previous submissions have shown, [

[]. Furthermore, as discussed in Dana's previous submissions to the TPSC, []. As Dana's submissions reflect, notwithstanding the apparent technical ability to produce this material, the United States steel industry is simply not willing or able to produce this material for Dana. As such, this merchandise should be excluded from a remedy notwithstanding the claimed technical ability to produce the merchandise.

¹² Ispat Inland submission of January 4, 2002 at 3.

¹³ Submission of Ispat Inland, Inc., filed December 5, 2001, numbered ER-059, at p. 2 et seq., and available at: <http://www.ustr.gov/sectors/industry/steel201/Responses/ER-059-IspatInland.pdf>.

¹⁴ Submission of Dana Corporation, filed January 4, 2002, and available at: [http://www.ustr.gov/sectors/industry/steel201/President Comments/Dana%201.pdf](http://www.ustr.gov/sectors/industry/steel201/President%20Comments/Dana%201.pdf).

III. CONCLUSION

As discussed above, the vast majority of the products for which Dana seeks to have no remedy imposed are not produced by the United States steel industry. The products are niche products that typically do not have a wide range of applications. Therefore, the exclusion of this merchandise from a remedy fashioned by the President would be extremely unlikely to affect the United States steel industry. In addition, allowing Dana to compete with its international rivals without raising Dana's imported material costs will help to ensure that the company remains viable both for its 40,000 to 50,000 employees in the United States, and for the steel companies benefitting from the approximately [] of its steel needs that Dana purchases domestically. Therefore, Dana requests that the President apply no remedy to the products set forth above.

Please feel free to contact us if you have any questions regarding this matter.

Very truly yours,

BARNES, RICHARDSON & COLBURN

By:

A handwritten signature in dark ink, appearing to read 'Kazumune V. Kano', written over a horizontal line.

Kazumune V. Kano
David G. Forgue

EXHIBIT 1

IN THE MATTER OF CERTAIN STEEL
PRODUCTS

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Inv. No. TA-201-73

**Comments of the Dana Traction Technologies Group ("Dana") Concerning Certain BOF
Produced Hot Rolled Special Bar Quality (Product 1)**

1. *Description*

SAE 1050M, SAE 1038, SAE 1541 hot rolled special bar quality steel produced by a basic oxygen blast furnace (BOF) method.

This BOF steel is used to make axles for various vehicles, but it is mainly used in jeep-type vehicles. BOF technology is extremely important in the production of axles, since it produces a very clean, high quality steel necessary for the safe functioning of the axle. Steels produced by other production methods have a higher residual content, and could lead to failure of the axle with the loss of a vehicle wheel while driving.

Dana remains firmly convinced that technology used in this product contributes greatly to the overall safety of vehicles using it. It has not had a warranty claim on its axle product in 17 years.

2. *Number of employees*

This division employees approximately [] people.

3. *Position of domestic industry*

There are only two known domestic mills which have BOF operating capability. Dana understands that one such producer has idled the facility and the other producer has recently declared bankruptcy. Even if the first of these two were to restart production, it is unclear whether it would choose to make SAE 1050M, SAE 1038, SAE 1541 hot rolled special bar quality steel. Therefore, there is no objectively secure domestic source for this material at the present time.

4. *Dollar value of imports*

[]

5. *Dollar value of United States purchases of steel*

[] of various grades, including those not included in this request.

6. *Reason cannot purchase from United States sources*

Dana has received no assurances from the domestic producer with the BOF operating capability that it can and is willing being BOF operations again and is willing to make the

product in question. The other domestic source is not financially stable enough to be a reliable source. Since safety is a paramount concern with this product, the ability to rely on its current source is of vital importance.

7. *Effect on Dana*

Dana has already learned that none of its customers will accept a price increase resulting from increased tariffs. Losses would therefore have to be absorbed by Dana through layoffs of up to [], and through other cost cutting measures. It also stands to lose customers if it is not considered a cost effective source of the product.

8. *Effect on suppliers*

Since the steel is imported through [], this plant would suffer layoffs and other financial hardship, if not outright closure, if Dana were to stop its purchases of the material.

9. *Effect on Dana Customers*

Because there is no stable domestic source for BOF steel at present, domestic auto manufacturing customers would have two choices: substituting the product or procuring the product overseas.

Finding a suitable alternative to this product is not a good choice for two reasons. First, it would require a change in production methods and product specifications, which would entail substantial cost. The second and most important reason is that BOF produced steel is used because its increased purity makes a safer product. Were a different, less pure steel used, the American driving public would be put at a much greater risk.

Since it is so important to use BOF steel, the domestic manufacturers would most likely attempt to procure the finished product from overseas sources, since it would be more cost effective than paying higher prices due to high tariff increases.

10. *Effect on steel industry*

Since the imported material is comprises only [] tons, it is an extremely small percentage of a typical U.S. steel makers output. Therefore, even if the domestic industry were able to provide a stable source of the product, any financial benefit in doing so would be negligible. The domestic steel industry also risks losing business in the products it does sell to Dana if Dana were to lose business and restructure as a result.

IN THE MATTER OF CERTAIN STEEL
PRODUCTS

Inv. No. TA-201-73

**Comments of the Structural Solutions Division, Dana Corporation ("Dana") Concerning
Hot Rolled Coils with a Width of 76.500 Inches (Product 2)**

1. *Description*

Hot rolled coils with a width of 76.500 inches, plus or minus tolerances of +0.250/-0.00, regardless of steel grade. This merchandise is used for automotive body frames.

2. *Number of employees*

Dana employs several hundred people at this facility.

3. *Position of domestic industry*

In submission ER-068 the domestic industry stated that a United States company was capable of making this material. Dana was submitted copies of correspondence from [] indicating that these companies could not produce the material. Since that time [] (attached herewith) has also indicated it cannot produce this material. Dana had previously understood [] to be the sole company capable of producing such material.

4. *Dollar value of imports*

Dana imports approximately [] worth of hot-rolled steel 76.500 inches in width per year.

5. *Dollar value of United States purchases of steel*

Dana purchases approximately [] million in United States steel from this facility of various grades, including those not included in this request.

6. *Reason cannot purchase from United States sources*

Dana cannot purchase this material from United States sources because there are no known certified United States suppliers of this material in this width. It was Dana's understanding that LTV Steel had the physical capability to produce this material, but LTV has entered Chapter 11 bankruptcy. Consequently, Dana has lost this sourcing option. Because Dana operates on a just-in-time delivery basis with its customers, even if LTV were still nominally functioning, it would be extremely difficult for Dana to commit to such a source because this material requires approximately a 26 week lead time, and LTV's financial condition would be too precarious for Dana to be able to conduct its business in a just-in-time basis as required by its customer.

7. *Effect on Dana*

Tariffs or quotas would have a dramatic effect on Dana. Retooling its facilities to use steel in the narrow widths available in the United States would be prohibitively expensive. Alternatively,

PUBLIC VERSION

if the facilities were unable to produce the finished vehicle frames in a cost-competitive manner, it is likely that Dana would move this operation off-shore.

8. *Effect on Dana customers*

Disrupting the flow of this material to Dana's customers would create a real risk that their production could be disrupted, which would adversely effect production of the General Motors vehicles utilizing this material. Any disruption in GM production would create a ripple through all the industries (United States and otherwise) that supply GM.

9. *Effect on steel industry*

The steel industry in the United States does not make hot rolled coils in this width. Therefore, it would not be assisted by the protection tariffs or quotas would provide.

Furthermore, if the facility or facilities utilizing this merchandise were no longer able to compete economically, the remaining United States steel purchases made by this facility (the bulk of the [] million figure quoted in paragraph 5) would be lost to United States producers. In addition, the United States facilities that slit and otherwise process this merchandise for Dana would also be closed. As such, a remedy against these hot-rolled coils would serve to have a net negative effect on the United States steel industry.

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CANNOT BE PUBLICLY SUMMARIZED

IN THE MATTER OF CERTAIN STEEL
PRODUCTS

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: Inv. No. TA-201-73

**Comments of the Dana Glacier Daido America LLC("Dana") Concerning Certain
Corrosion-Resistant Carbon Steel Flat Products from Japan (Product 3)**

1. *Description*

These imported articles are used for making automotive products, such as connecting rod and crankshaft main insert bearings. Dana's material is currently imported in coiled form. The material is flat rolled carbon steel with aluminum cladding, with the following specifications: of and including 4.90mm in overall thickness, a minimum of and including 76.00mm to a maximum of and including 250.00mm in overall width, with a low carbon steel back comprised of: carbon under 0.10%, manganese under 0.40%, phosphorous under 0.04%, sulfur under 0.05%, and silicon under 0.05%; clad with aluminum alloy comprised of: under 2.51% copper, under 15.10% tin.

2. *Number of Employees*

Dana employs approximately [] people through Glacier Daido.

3. *Position of domestic industry*

There are no domestic producers of this product. Lack of domestic interest in this product can be found in the ITA notice published in the Federal Register on December 31, 2001. The notice shows that the domestic industry has consented to Dana's request for Changed Circumstances Review, which would entail partial exemption of this product from an applicable antidumping order. In addition, the domestic industry has indicated that it does not oppose exclusions for products not manufactured in the United States.

4. *Dollar value of imports*

[] per year

5. *Dollar value of U.S. purchases of steel*

[] per year of various grades, including those not included in this request.

6. *Reason cannot purchase from U.S. sources*

No domestic production of this material nor any suitable substitutes.

7. *Effect on Dana*

Dana will not be able to locate any suitable domestic substitutes for this product, the proposed tariff increase will raise the cost of production by as much as 10%. Since it will not be possible to pass the cost along to its customers, Dana and/or its customers would likely have to source the production of the bearing to other countries in order to remain cost efficient or to ensure supply. This would result in layoffs of up to [], and a possible shutdown of some of its facilities.

8. *Effect on Dana's Customers*

Since the material for these Dana products is not available on the domestic market, Dana's customers would likely choose the more cost effective alternative of securing production of the finished product overseas. Not only would this be more expensive for domestic automakers who need these products, but it would also produce no benefit to the domestic steel industry.

9. *Effect on steel industry*

The domestic steel industry will in no way benefit from increased tariffs on this product, since it does not produce the material in question. In all likelihood, Dana would lose a considerable amount of business were the production of the bearing to be handled overseas, and imported as finished products. Since Dana is a substantial purchaser of domestic steel, any financial damage done to Dana as a result of increased tariffs would hurt the U.S. steel industry in the form of decreased sales.

IN THE MATTER OF CERTAIN STEEL
PRODUCTS

Inv. No. TA-201-73

**Comments of the Victor Reinz Division-- Milwaukee of Dana Corporation ("Dana")
Concerning Tin Plate with a Width Greater than 38.875 Inches (Product 4)**

1. *Description*

Tin mill products, meeting ASTM A623-00, including electrolytic tin plate with a width greater than 38.875 inches (plus or minus 0.005 inches). This merchandise is used for automotive gaskets in engines.

2. *Number of employees*

Dana employs approximately [] people in this division.

3. *Position of domestic industry*

It appears that the domestic industry has not objected to other ASTM A-623 grade tin plate being excluded from the scope of this and previous investigations. See USTR submission X-039, filed by Maui Pineapple Company.

4. *Dollar value of imports*

Dana imports approximately [] worth of tin plate and black plate in this division. The division between these products is not available.

5. *Dollar value of United States purchases of steel*

Dana purchases roughly [] in United States steel from this division of various grades, including those not included in this request.

6. *Reason cannot purchase from United States sources*

Dana cannot purchase this material from United States sources because there are no known certified United States suppliers of this material in this width. Dana notes that the underlying material is more typically used in applications such as tin cans, so that the widths required to make gaskets are not standard widths in the industry (see Maui submission of paragraph 3 above).

7. *Effect on Dana*

Tariffs or quotas would have a dramatic effect on Dana. Dana's customers would likely explore European and Japanese sources for the finished gaskets. In addition, because this product is unique with high start-up costs, once the business was lost, it would be very difficult to recapture. It is likely that if the losses were great enough the division would close, and both the jobs and sourcing would be moved offshore.

8. *Effect on Dana customers*

Disrupting the flow of this material to Dana's customers would create a real risk that their production could be disrupted, which would adversely effect the largest engine manufacturers in the United States.

9. *Effect on steel industry*

The steel industry in the United States does not typically make tin plate meeting these specifications in this width. Therefore, it would not be assisted by the protection tariffs or quotas would provide.

Furthermore, were the division to close, the roughly [] in United States stainless steel purchases would also be lost to the domestic industry. These purchases are made almost entirely from United States sources. As such, a remedy against this tin plate would serve to have a net negative effect on the United States steel industry.

IN THE MATTER OF CERTAIN STEEL
PRODUCTS

Inv. No. TA-201-73

**Comments of the Victor Reinz Division, Milwaukee--Dana Corporation ("Dana")
Concerning Black Plate with a Width Greater than 42.000 Inches (Product 5)**

1. *Description*

Tin mill products, meeting ASTM A623-00, including tin mill black plate with a width greater than 42.000 inches (plus or minus 0.005 inches). This merchandise is used for automotive gaskets in engines.

2. *Number of employees*

Dana employs approximately [] people in this division.

3. *Position of domestic industry*

Dana is aware of no domestic opposition to excluding this merchandise.

4. *Dollar value of imports*

Dana imports approximately [] worth of tin plate and black plate in this division. The division between these products is not available.

5. *Dollar value of United States purchases of steel*

Dana purchases roughly [] in United States steel in this division of various grades, including those not included in this request.

6. *Reason cannot purchase from United States sources*

Dana cannot purchase this material from United States sources because there are no known certified United States suppliers of this material in this width. Dana notes that the underlying material is more typically used in applications such as tin cans, so that the widths required to make gaskets are not standard widths in the industry.

7. *Effect on Dana*

Tariffs or quotas would have a dramatic effect on Dana. Dana's customers would likely explore European and Japanese sources for the finished gaskets. In addition, because this product is unique with high start-up costs, once the business was lost, it would be very difficult to recapture. It is likely that if the losses were great enough the division would close, and both the jobs and sourcing would be moved offshore.

8. *Effect on Dana customers*

Disrupting the flow of this material to Dana's customers would create a real risk that their production could be disrupted, which would adversely effect the largest engine manufacturers in the

United States.

9. *Effect on steel industry*

The steel industry in the United States does not make black plate meeting these specifications in this width. Therefore, it would not be assisted by the protection tariffs or quotas would provide.

Furthermore, were the division to close, the roughly [] in United States stainless steel purchases would also be lost to the domestic industry. These purchases are made almost entirely from United States sources. As such, a remedy against this black plate would serve to have a net negative effect on the United States steel industry.

IN THE MATTER OF CERTAIN STEEL
PRODUCTS

Inv. No. TA-201-73

**Comments of the Victor Reinz Division, Milwaukee -- Dana Corporation ("Dana")
Concerning Tin Mill and Black Plate with a Width Greater than 37.5 Inches (Product 6)**

1. *Description*

Tin mill products, meeting ASTM A623-00, including electrolytic tin plate and tin mill black plate with a width greater than 37.5 inches (plus or minus 0.005 inches). This merchandise is used for automotive gaskets in engines.

2. *Number of employees*

Dana employs approximately [] people in this division.

3. *Position of domestic industry*

It appears that the domestic industry has not objected to other ASTM A-623 grade tin plate being excluded from the scope of this and previous investigations. See USTR submission X-039, filed by Maui Pineapple Company. Dana is unaware of opposition to excluding black plate as described above.

4. *Dollar value of imports*

Dana imports approximately [] worth of tin plate and black plate in this division. The division between these products is not available.

5. *Dollar value of United States purchases of steel*

Dana purchases approximately [] in United States steel from this division of various grades, including those not included in this request.

6. *Reason cannot purchase from United States sources*

Dana cannot purchase this material from United States sources because there are no known certified United States suppliers of this material in this width. Dana notes that the underlying material is more typically used in applications such as tin cans, so that the widths required to make gaskets are not standard widths in the industry (see Maui submission of paragraph 3 above).

7. *Effect on Dana*

Tariffs or quotas would have a dramatic effect on Dana. Dana's customers would likely explore European and Japanese sources for the finished gaskets. In addition, because this product is unique with high start-up costs, once the business was lost, it would be very difficult to recapture. It is likely that if the losses were great enough the division would close, and both the jobs and sourcing would be moved offshore.

8. *Effect on Dana customers*

Disrupting the flow of this material to Dana's customers would create a real risk that their production could be disrupted, which would adversely effect the largest engine manufacturers in the United States.

9. *Effect on steel industry*

The steel industry in the United States does not typically make tin plate meeting these specifications in this width. Therefore, it would not be assisted by the protection tariffs or quotas would provide.

Furthermore, were the division to close, the roughly [] in United States stainless steel purchases would also be lost to the domestic industry. These purchases are made almost entirely from United States sources. As such, a remedy against these tin mill products would serve to have a net negative effect on the United States steel industry.

IN THE MATTER OF CERTAIN STEEL
PRODUCTS

Inv. No. TA-201-73

**Comments of the Victor Reinz Division--St. Thomas Dana Corporation ("Dana")
Concerning Certain Aluminum Clad Steel (Product 7)**

1. *Description*

STG3 LG per DIN 1624/1544, also known as cold-rolled carbon steel strip with aluminum cladding on each side where the width of the cladding on each side is less than 10% of the total thickness of the material. This material is used to produce heat shields.

2. *Number of employees*

Dana employs approximately [] at its Danville, Kentucky location, which is in the same division, and could also be adversely affected..

3. *Position of domestic industry*

The domestic industry has indicated that it does not object to this material being excluded from the scope of the current matter (see ER-068, filed by the domestic steel manufacturers).

4. *Dollar value of imports*

This facility imports approximately [] worth of this material.

5. *Dollar value of United States purchases of steel*

This facility purchases approximately [] in steel of various grades, including those not included in this request. Roughly [] of this steel, by volume, is United States origin.

6. *Reason cannot purchase from United States sources*

Dana cannot purchase this material from United States sources because there are no known United States suppliers that make the required material with the correct material ratios for the cladding. A German manufacturer is the sole source for this merchandise, and it must be purchased from their North American distributor in the United States. Because Dana's customer has specified this ratio, Dana does not have the option to use a substitute ratio.

7. *Effect on Dana*

Tariffs or quotas would have a dramatic effect on Dana. The inability to produce finished heat shields from this material will likely call the economic logic of the St. Thomas facility into question. However, it must be noted that the slitting and processing of this merchandise is done entirely in the United States. In addition, the United States seller of this German product would be adversely affected. Therefore, even though this facility is in Ontario, the ripple effect of disrupting its operations would be felt in the United States almost immediately.

8. *Effect on Dana customers*

Disrupting the flow of this material to Dana's customers would create a real risk that their production could be disrupted, which would adversely effect the largest automotive makers in the world. Because automobiles cannot be produced lacking heat shields, the entire production line in the United States for Dana's customer would be endangered if Dana's operations were effected by an inability to produce heat shields economically.

9. *Effect on steel industry*

The steel industry in the United States has already indicated that it is not averse to this merchandise being excluded from the Section 201 case (see paragraph 3 above).

IN THE MATTER OF CERTAIN STEEL
PRODUCTS

Inv. No. TA-201-73

**Comments of the Victor Reinz Division--St. Thomas Dana Corporation ("Dana")
Concerning Certain Aluminized Steel (Product 8)**

1. *Description*

ASTM A 463 DDS-Aluminized Steel, also referred to as aluminum coated cold-rolled carbon steel sheet, in 0.012 inch gauge with of plus or minus 10%. This material is used to construct heat shields for automobiles.

2. *Number of employees*

Dana employs approximately [] people at its Danville, Kentucky location, which is in the same division, and could also be adversely affected.

3. *Position of domestic industry*

The domestic industry has indicated that it does not object to this material being excluded from the scope of the current matter (see ER-068, filed by the domestic steel manufacturers).

4. *Dollar value of imports*

This facility imports approximately [] worth of this material.

5. *Dollar value of U.S. purchases of steel*

This facility purchased approximately [] worth of steel of various grades, including those not included in this request. Approximately [] of this steel by volume was United States origin steel.

6. *Reason cannot purchase from United States sources*

Dana cannot purchase this material from United States sources because there are no known United States suppliers of this material in this gauge. Instead, Dana must purchase this material from In addition, because Dana's customer has specified that this merchandise be made from this gauge steel, no substitute product may be used.

7. *Effect on Dana*

Tariffs or quotas would have a dramatic effect on Dana. The inability to produce finished heat shields from this material will likely call the economic logic of the St. Thomas facility into question. However, it must be noted that the slitting and processing of this merchandise is done entirely in the United States. Therefore, even though this facility is in Ontario, the ripple effect of disrupting its operations would be felt in the United States almost immediately.

8. *Effect on Dana customers*

Disrupting the flow of this material to Dana's customers would create a real risk that their production could be disrupted, which would adversely effect the largest automotive makers in the world. Because automobiles cannot be produced lacking heat shields, the entire production line in the United States for Dana's customer would be endangered if Dana's operations were effected by an inability to produce heat shields economically.

9. *Effect on steel industry*

The steel industry in the United States has already indicated that it is not averse to this merchandise being excluded from the Section 201 case (see paragraph 3 above).